

# **MONTANA WHEAT AND BARLEY COMMITTEE**

**Annual Budget Meeting  
Columbus Center  
2<sup>nd</sup> Floor Conference Room  
Great Falls, Montana  
March 31-April 1, 2014**

The following were present for either a portion of or the entire meeting.

## **DIRECTORS**

Chris Kolstad, Chairman

Randy Hinebauch, Vice Chairman

Leonard Schock, Director

Tom Siderius, Director

Buzz Mattelin, Director

Bruce Myllymaki, Director

Frank Schoonover, Director

## **EX-OFFICIOS**

Ron de Yong, Director, Montana Department of Agriculture

Not Present: Byron Grassman, Manager, Mountain View Coop

Not Present: Dr. Glenn Duff, Interim Dean of Agriculture

## **STAFF**

Collin Watters, Executive Vice President

Cassidy Marn, Marketing Program Manager

Steve Becker, Outreach Coordinator

Kolleen Spurgin, Budget & Grants Coordinator

Tammy Suek, Administrative Assistant

## **GUESTS**

Lola Raska, Executive Vice President, Montana Grain Growers Association

Charlie Bumgarner, Treasurer, Montana Grain Growers Association

Lochiel Edwards, Board Member, Montana Grains Foundation

Dale Schuler, President, Montana Grains Foundation

Lori Cox, Director of Business Development, MSU Alumni Foundation

Joel Clairmont, Deputy Director, Department of Agriculture

Libbi Lovshin, CSD Administrator, Department of Agriculture

Jeff Rumney, Bureau Chief, State Grain Lab

Eric Sommer, Deputy Director, USDA, NASS

Chris Christiaens, Project Specialist, Montana Farmers Union

Barry Jacobsen, Interim Department Head of Research Centers

Aeric Reilly, Producer

## **Monday, March 31, 2014:**

*Chairman Kolstad called the meeting to order at 9:05 a.m.*

Director Mattelin made the motion to adopt the tentative agenda with changes and Director Schoonover seconded it. The agenda passed unanimously.

Chairman Kolstad called for public comment and heard none.

### **Review of February 5-6, 2014 Meeting Minutes**

Executive Vice President Collin Watters presented the minutes of the February Research Review Board Meeting.

Director Myllymaki moved and Director Schock seconded the motion to approve the minutes with changes. The motion passed unanimously.

### **Financial Review**

Kolleen Spurgin presented the Financial Statement and Assessment collection update.

Director Schoonover moved to accept the financial statement. Director Myllymaki seconded the motion. The motion passed unanimously.

Jeff Rumney commented on the Plentywood Farm Fair Breakfast, he took up the MWBC banner and other material we supplied; he said it was a well-attended event.

### **Projections for the FY 2015 Budget**

The board's estimation for wheat still in the bins and not sold is between 25% and 50%. There is still \$90,000 in the special projects funding for U.S. Grains Council, staff will check with them to see what it will be used for.

### **U.S. Grains Council**

Director Mattelin attended the meeting in Long Beach. There was a guest speaker from IBM who talked about big data and new ways to handle it. Kurt Shultz from the Panama office will be moving to the Washington DC office very soon.

Director Mattelin also attended the Barley Sector meeting being held at the same time. There was a discussion about Northern Crops Institute offering a Barley Procurement workshop.

### **National Pasta Association**

Director Mattelin attended the National Pasta Association meeting in Florida. The meeting is mostly attended by industry people and a few producers; the industry representatives were expressing their problems getting durum to their factories for processing. He attended a meeting that talked about the differences between Bio Tech and GMO and how they are two different things.

### **National Barley Improvement Committee**

Director Mattelin went to Washington DC to attend the annual hill visits to state representatives. They also met with the new ARS Director, Chavonda Jacobs-Young; the ARS funding has been restored to 2012 levels. Director Mattelin was asked to

serve as Vice-Chairman for National Barley Improvement Committee; it is a two year commitment, he said he would.

### **Wheat Quality Council**

Directors Hinebauch and Schoonover traveled to Kansas City to attend the annual meeting of the Wheat Quality Council. Director Hinebauch volunteered for the HRS committee; he was interested to learn what the millers and bakers needs were in the quality of wheat.

Director Schoonover explained that there were between 150 and 180 participants and how the wheat was rated by a panel without them knowing the varieties. David Hahn from Northern Crops Institute made a presentation on the mill at the institute.

### **Wheat Marketing Center**

Director Schoonover attended the Wheat Marketing Center board meeting in Portland; that will be his last; Director Myllymaki will be taking his place at the meetings. Bill Flory from Idaho became the new chairman. A succession plan was set-up so that in case it is ever needed then one is available. Dave Shelton let the board know that he will give 2 years notice before he retires, to give enough time to find a replacement.

### **Leadership at its Best – Syngenta**

Director Schock and Vice President Watters attended the Syngenta sponsored “Leadership at its Best” in Minneapolis. It was a joint meeting with both Canadians and Americans; with lots of good discussions concerning border issues and concerns. They attended workshops on media and long term planning.

### **Montana Department of Agriculture**

Director de Yong let the board know that the search for the new barley breeder will begin after the Vice President’s position at MSU has been filled. They would like a Wheat and Barley Committee board member to be a part of the search committee for that position. It was decided that Director Myllymaki would be the primary and Chairman Kolstad would be the backup.

The Department of Commerce will be helping to bring in a midsize malting company to the state.

The Director de Yong would like to see research done on winter barley that could bring in 180 bushels an acre.

The Director de Yong has been preparing to meet with BNSF and would like to offer some suggestions for rail service in Montana, his suggestions will be:

Take off the 48-car ban for Montana

Rail cars that haul frac sand to the Bakken could haul grain or other commodities back to the coast  
Open the rails from Helena to Great Falls  
Reduce rail rates to producers

### **Executive Vice President's Update**

Executive Vice President Watters traveled to the Unified Export Strategy meeting held in Arlington, VA; there he helped set long term goals with Latin American and South American U.S. Wheat Offices.

He then attended the State Executive's meeting in Denver, CO. He asked questions about how other states handle issues concerning assessments and rail and other challenges. They were able to tour Colorado State University.

Executive Vice President Watters met with Mark Black from Malteurop to introduce himself and find ways to work together in the future.

There was an issue involving Monsanto regarding zoning for their new facility in Great Falls, he would like some kind of position statement regarding GMO or Bio Tech for future reference, Director Schock suggested using U.S. Wheat's statement. Collin will draft something for the board to review in the future.

He has started the process for the renewal of the lease for the office and the new vehicle should be here before the trade teams start coming. Board indicated support for maintaining current office. He informed the directors that the reports from NAWG, REAL Montana, Terry Whiteside and Byron Grassman were available for them to read in their packets.

### **USDA-NASS**

Eric Sommers announced the planting intentions from the USDA; barley was slightly down and wheat is 4% higher mostly due to winter wheat increase.

### **State Grain Lab**

Jeff Rumney gave an update on the state grain lab including the new falling number machine and new pickup truck. By administrative rule this year the lab will be raising their fees to the elevators for sampling and testing.

### **Outreach Coordinator Report**

Steve Becker attended the Western Barley Association Annual Meeting in Calgary; he said most of the talk was about the large crop and rail issues. He also let the directors know the last producer tour was successful and that all the participants seemed to enjoy the experience.

### **MSU Alumni Foundation Report**

Lori Cox told about the progress of the endowed chair position has made as far as funding. They are a year ahead of schedule and are at the corporate phase, they will start making contact with companies soon to raise more money.

The question was asked by the board on what the funding given already has been used for. Lori explained that it is being used as seed money and could be used to help set up the new lab for the chair. It also could be used for field tours and operating cost all though not per diem. The board accepted the outline provided and approved using funds for immediate startup costs.

### **Approval of Staff and Director Travel**

A few items were added to the upcoming travel for approval.

Missouri River Recovery Improvement Committee – Rapid City, SD - May 20-22, 2014

Rail Service Meeting – Helena - May 20

Director Schoonover will continue to attend until a new board member is appointed.

Northern Crops Institute Board Meeting – Fargo, ND – June 23, 2014

Director Mattelin moved to accept the new travel schedule and Director Myllymaki seconded. The motion passed unanimously.

### **Upcoming Events**

Apr. 3-4	Wheat Stem Sawfly Conference - Bozeman
Apr. 8-11	Craft Brewers Conference – Denver, CO
Apr. 28	PGI Board Meeting – Manhattan, KS
May 30-31	Tortilla Convention – Las Vegas, NV
Jun. 4-5	Wheat Foods Council – Fargo, ND
Jun. 8-11	U.S. Wheat Associates Summer Board Meeting – Omaha, NE
Jun. 23	Field Day – Moccasin
Jun. 26	Field Day – Huntley
Jul. 2	Field Day – Havre
Jul. 4	Independence Day – Office Closed
Jul. 11-15	Korean Trade Team – Great Falls
Jul. 16	Field Day – Kalispell
Jul. 21-24	Wheat Quality Tour – Fargo, ND
Jul. 24	Field Day – Sidney
Jul. 29-Aug. 1	Latin American Buyers Conference – Costa Rica
Jul. 28-Aug. 1	U.S. Grains Council Board Meeting – Omaha, NE
Sep. 1	Labor Day – Office Closed
Sep. 16	Field Day - Conrad
Oct. 12-18	North American Buyer Conference – Hawaii
Oct. 13	Columbus Day – Office Closed

Oct. 23-24	Wheat Marketing Center Board Meeting - Portland
Oct. 29-Nov. 1	U.S. Wheat Fall Board Meeting – Santa Ana Pueblo, NM
Nov. 4	Election Day – Office Closed
Nov. 7-8	Celebrate Ag – Bozeman
Nov. 8-13	Latin American Industrial Millers Association (ALIM) – Dominican Republic
Nov. 11	Veteran's Day – Office Closed
Nov. 20-21	Harvest Montana Conference – Great Falls
Nov. 27	Thanksgiving – Office Closed
Dec. 2-4	Montana Grain Growers Convention – Great Falls
Dec. 25	Christmas Day – Office Closed

### **New Business**

The summer board meeting will take place at the Northern Ag Research Center in Havre, either on July 2<sup>nd</sup> with the field days or when Montana Grain Growers host state legislatures for an informational tour.

### **Projections**

The budget projections will stay the same as last year.

### **Budget**

The education, marketing and transportation section of the budget was worked on.

### **Public comment**

Director Siderius attended the Variety Release meeting and let the board know the new variety will be release in 2016 under the name Egan.

Dale Schuler, Lochiel Edwards and David Weaver attended the Wheat Pest Meeting in Colorado. The meeting is held about every 10 years.

*Chairman Kolstad adjourned the meeting at 5:00 pm.*

### **Tuesday, April 1, 2014**

*Chairman Kolstad called the meeting to order at 8:05 a.m. He called for public comment.*

Chris Christiaens reminded the board to talk to new legislatures about agriculture and the importance to the state.

### **MSU Update**

Barry Jacobsen updated the board on the positions that have new hires and the search for the new vice president of agriculture has started and should be decided on shortly.

### **Budget**

The research portion of the budget was worked on with help from Barry Jacobsen.

Director Mattelin moved to apply any remaining FY14 funds to the Endowed Chair funding. The motion was seconded by Director Schock. The motion passed unanimously.

The ending budget was as follows:

\$4,792,329 Appropriations  
\$4,302,589 Ending Budget

Director Schock moved to approve the budget and Director Mattelin seconded. The motion passed unanimously.

*Chairman Kolstad called for public comment.*

It was recommended that the Wheat & Barley Committee have an informational letter or brochure available for legislatures.

*Chairman Kolstad adjourned the meeting at 12:35 p.m.*

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Collin Watters, Executive Vice President

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Date